



WELD COUNTY, COLORADO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2012

**High Plains Library District**

2650 W. 29<sup>th</sup> Street  
Greeley, Colorado 80631

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

For the year ended December 31, 2012

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Janine Reid

Associate Director for Public Services  
Elena Rosenfeld

Prepared by:  
Andrew Romero, CGFM  
Finance Director

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May 20, 2013

To the Members of the Board of Trustees and Patrons of the High Plains Library District:

State Law requires that the High Plains Library District (HPLD) publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the HPLD for the fiscal year ended December 31, 2012.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the HPLD has established a system of internal controls that are designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Anderson & Whitney, P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended December 31, 2012 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and evaluating the overall financial statement presentation.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The High Plains Library District's MD&A can be found immediately following the report of the independent auditors.

### **Profile of the District**

The District is considered to be a "Library District" established through Colorado State Statute (C.R.S. 24-90-110) and governed by the Colorado Library Law, Article 90 of Title 24, Colorado Revised Statutes, as amended (the "Act"). The District was established on September 11, 1985 by the Weld County Board of County Commissioners, the city councils of Evans, Fort Lupton, Greeley, the town boards of Ault, Eaton, Hudson and the Governing Board of Fort Lupton School District No. RE-8. The District is fiscally, managerially and operationally an independent political subdivision of the State of Colorado.

There are five branch libraries and two outreach vehicles that provide services to patrons throughout the High Plains Library District. Three branches are located in the City of Greeley, one in Erie, and one in Firestone. The towns of Ault, Eaton, Hudson, Johnstown, Platteville, and the city and school district of Fort Lupton, which are located within the District's boundaries, own and operate their own library facilities. The District provides centralized support services to these locations. The citizens of these municipalities pay ad valorem property taxes to the District as District residents. By contract with the municipalities two-thirds of those ad valorem property taxes are then given to these towns for library operations and capital expenditures. The District retains one-third for providing centralized support services.

The District operates ten public computer centers (PCCs) located in Greeley, Evans, Keenesburg, Kersey, LaSalle, Lochbuie, Milliken, Nunn, and Pierce. The PCCs have become an extension of the District's Outreach services where staff offers computer classes and one-on-one appointments at each site. Affiliated Libraries consist of the Poudre Learning Center in Greeley and the Hazel E. Johnson Research Center, located in the City of Greeley Museum.

The Weld Library Finance Corporation (WLFC) was formed in 2001 for the purpose of purchasing, leasing or otherwise acquiring certain real property and to construct or install certain improvements in the service area of the District. The WLFC is included as a blended component unit within the financial statements of the District.

Administrative and support departments includes the Collection Resources, Executive Director, Finance, Facilities Services, Human Resources, Information Technology, Outreach, and Public Information all located at the District's Administration and Support Services building.

Management and control of the District is vested in a board of trustees consisting of seven members, all of whom are appointed by a committee representing the original towns that established the District. Trustees serve staggered five-year terms. The trustees hold regular monthly meetings and special meetings when necessary. Board members are prohibited by law from receiving compensation for their services; however, they may be reimbursed for necessary travel, training or miscellaneous expenses.

The annual budget serves as the foundation for the High Plains Library District's (HPLD) financial planning and control. HPLD is required to submit a request for appropriation to the State of Colorado no later than January 31 of each year. The HPLD begins the budgeting process in July each year and develops a proposed budget. The Executive Director presents this proposed budget to the Board of Trustees for review prior to October 15. The Board of Trustees is required to hold public hearings on the proposed budget and to adopt a final budget on or before December 31, the close of the District's fiscal year. The appropriated budget is prepared by fund, account, location, and department. Budget-to-actual comparisons are provided in this report for the general fund, debt service fund, and capital projects fund.

### **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the High Plains Library District operates.

**Local economy:** The recovery in Colorado's economy is strengthening. Recent gains in the labor market signal that the economy, which only a few months ago was feared to be nearing recession, has not only stabilized but its recovery has gained a solid foothold and is more resilient than previously thought. However, growth will remain below the long run potential, weighted down by concerns about the global economy, high levels of consumer debt, rising gasoline prices, and continuing imbalances in the real estate and credit markets.

The two-year old recovery in Colorado's labor market is gaining momentum. Colorado lost 151,600 jobs, or 6.4 percent of its job base, between the pre-recession peak in April 2008, and the cyclical low in January 2010. During the two years between then and January 2012, Colorado added 75,600 jobs. Total nonfarm employment increased 1.5 percent in 2011, after increasing 0.8 percent in 2010. The unemployment rate fell from a high of 9.0 percent in November 2010, to 8.0 percent in September 2012. Weld County's unemployment rate, in September 2012, was 7.9 percent.

Consumers in Colorado continue to increase their spending, but remain cautious. Consumers remain cautious as a result of an uncertain economy, continued high unemployment, decreasing real wages and salaries, and rising food and gasoline prices. Colorado's housing market continues to slowly recover and is showing signs of stabilizing. Although markets have begun to improve in localized areas around the state, recovery in the overall housing market is being stalled by uncertainty in the economy and slow employment growth.

In summary, Colorado's recovery continues to move forward. Employment growth gained momentum and consumers increased spending. In addition, the agriculture and energy industries are expected to continue the boost in growth through the forecast period. These positive trends will be constrained, however, by the housing market, tight credit conditions, and the financial markets.

The economy of the northern region of Colorado, which has been among the strongest in the state, maintained its pace throughout the year. Employment was up in both major urban areas within the region and the unemployment rate dropped in the last few months of the year. Regional gains in consumer spending remain above the statewide average, with gains especially strong in Weld County. The residential construction industry remains strong in the Fort Collins-Loveland area and is holding its own in Greeley. Accelerating oil exploration activity in the Wattenberg field, as evidenced by the increased number of drilling rigs operating locally, brings further reason for economic optimism. The accelerating oil and gas exploration will also boost the assessed value for property tax revenue in Weld County for the near foreseeable future.

In November, 2011, an announcement from Anadarko Petroleum Corporation stated that results from early drilling indicate that the company could produce the equivalent of 500 million to 1.5 billion barrels of oil, natural gas liquids, and natural gas from the Niobrara formation within the Wattenberg Field boundaries located in Weld County. Anadarko planned to drill 160 horizontal wells in the area, in 2012, and could eventually drill 1,200 to 2,700 wells in the area. The production of the oil by Anadarko and other energy firms will add jobs in the county and bolster property tax and severance taxes to record levels. Potential output of 55 million barrels a year from Anadarko's 350,000 acres in the Wattenberg Field would almost triple the current production of oil in Colorado. Besides direct production from the oil and gas industry, there are anticipated other economic spin-offs which will add jobs and investments resulting in increases to the District's total assessed value.

Based upon information from the Colorado Oil and Gas Association, the increased oil and gas activity will result in about 400 new wells in Weld County in the next two years. Weld County has about 40 percent of the wells in Colorado. The Colorado Oil and Gas Association indicates the industry should be steady and strong but the infrastructure is not in place for a huge "oil boom." The region's infrastructure is nearing capacity at more than 90 percent of its use for pipelines and refineries. Although current infrastructure will constrain the development of the Niobrara formation, there is room for growth in Weld County; therefore, property tax revenue will continue to increase.

With economic recovery cautiously returning, it remains challenging to predict 2013 economic growth. However, with Weld County's continuing energy development, population growth and position in regard to affordable housing, it may be only a matter of time before activity begins to rebound. Given these indicators to Weld County's economic growth and recovery, there is reason to be cautiously optimistic about the future of Weld County. Growth and development activity directly, or indirectly, related to oil and gas exploration seems to be the main economic driver in the majority of positive activities in Weld County. The County has seen several compressor stations, injection wells, new pipelines, and other oil and gas support and service industries seeking permits. Given the commitments of the large oil and gas companies in Weld County, the County seems primed to see considerable long-term investment and development in the oil and gas arena.

Although the oil and gas industry continues to invest in Weld County and provide employment opportunities, the renewable-energy sector has softened with the global economic slowdown and falling energy prices. A large solar panel manufacturer in Weld County, Solar Abound, has closed and declared bankruptcy. Vestas employs over 650 employees in Weld County producing wind turbines. Many of Vestas jobs will be at risk if a federal production tax credit is not extended.

Although the financial health of the HPLD is currently excellent, it is important to look to the future issues, possible problems and alternative solutions to these problems. Besides the traditional role of budgeting to responsibly manage available current year funding there must be a continued emphasis of long-term planning, recognition of the cumulative effect of individual decisions, an awareness of changing realities, flexibility, patron input in setting priorities, and a focus of goals and objectives consistent with the core philosophy and mission statement. Prioritizing services is essential and a practice that the HPLD does annually. It allows the HPLD to concentrate on high priority programs and stop providing those that patrons have little or no interest in.

**Long-term financial planning:** The District's bi-annual budget process includes the preparation of a five year capital improvement plan (CIP) and a ten year forecast of revenues and expenditures. The CIP identifies major construction and equipment needs that are on the horizon, as well as projections of those revenues dedicated for capital purchases. Also of keen interest is the continued view beyond five years as to how operational expenditures will be met by the known revenue sources.

A key component of the CIP is the District's commitment to maintaining its current infrastructure. Buildings and parking lots are evaluated annually, with resources dedicated to keeping infrastructure at acceptable quality levels and avoiding more costly major repairs and reconstruction. While the five year CIP is a planning tool that is subject to change, it allows the District to prepare for major capital needs and match those needs with the appropriate projected revenue sources. This process also helps the District plan for potential debt issuances to finance needed projects.

**Relevant financial policies:** The Colorado Constitutional Amendment passed in November 1992, commonly known as the Taxpayer Bill of Rights (TABOR), restricts growth in governmental spending and revenues, with those amounts adjusted annually for inflation and a local growth factor. In November 1999, Weld County voters approved a referendum that allowed the HPLD to retain revenues that might otherwise have been refundable to citizens under the TABOR limits. As a result, the HPLD is able to retain any "excess" revenues and spend them for capital improvements, district operations and services, and other patron purposes. The District continues to be subject to other provisions of TABOR, including maintaining an emergency reserve equal to 3% of annual spending and the requirement for elections to approve any tax increase.

**Major initiatives:** During 2012 the District budgeted one million dollars to remodel the Farr Regional Library. The remodel, which has been a success and came in under budget, consisted of a drive-up book drop, a café/vending area, a flex meeting room for impromptu meetings and collaborative work, community reading and study rooms, and an informal seating area with contemporary seating. In addition a pay-per-use electric vehicle charging station was placed in the parking lot and made available to the community.

The Virtual Library, a new department for 2012, staff assist those who prefer online or phone-based services. Through phone, email and chat; trained library staff find online-based resources, request items, renew items, troubleshoot ebook questions, sign up for programs, help with reserving a Meeting Room and much more.

**Looking ahead:** Budgeted revenues for fiscal year 2013 increased by 18.0% which allowed the District to increase its spending allocation for library materials, increase emphasis on library programming, provide funds to build a new branch in the City of Evans, and assume the operations of the Town of Kersey Library as a branch of the District. The District has contracted with McKinstry to perform an energy efficiency review of the District's buildings with recommendations for improvement. Building on the success of the District's first four years of sponsoring a Common Read; the District intends to sponsor another community read that involves distribution of thousands of copies of one title, with many programming opportunities.

### Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the High Plains Library District for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2011. This was the tenth consecutive year that the High Plains Library District has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance and administration departments. We would like to express our appreciation to all members of the District who assisted and contributed to the preparation of this report. Credit also must be given to the Board of Trustees for their unfailing support for maintaining the highest standards of professionalism in the management of the High Plains Library District's finances. We would also like to express our appreciation to the audit firm of Anderson & Whitney, P.C. who provided guidance in preparing the annual report.

Respectfully submitted,



Janine Reid  
Executive Director



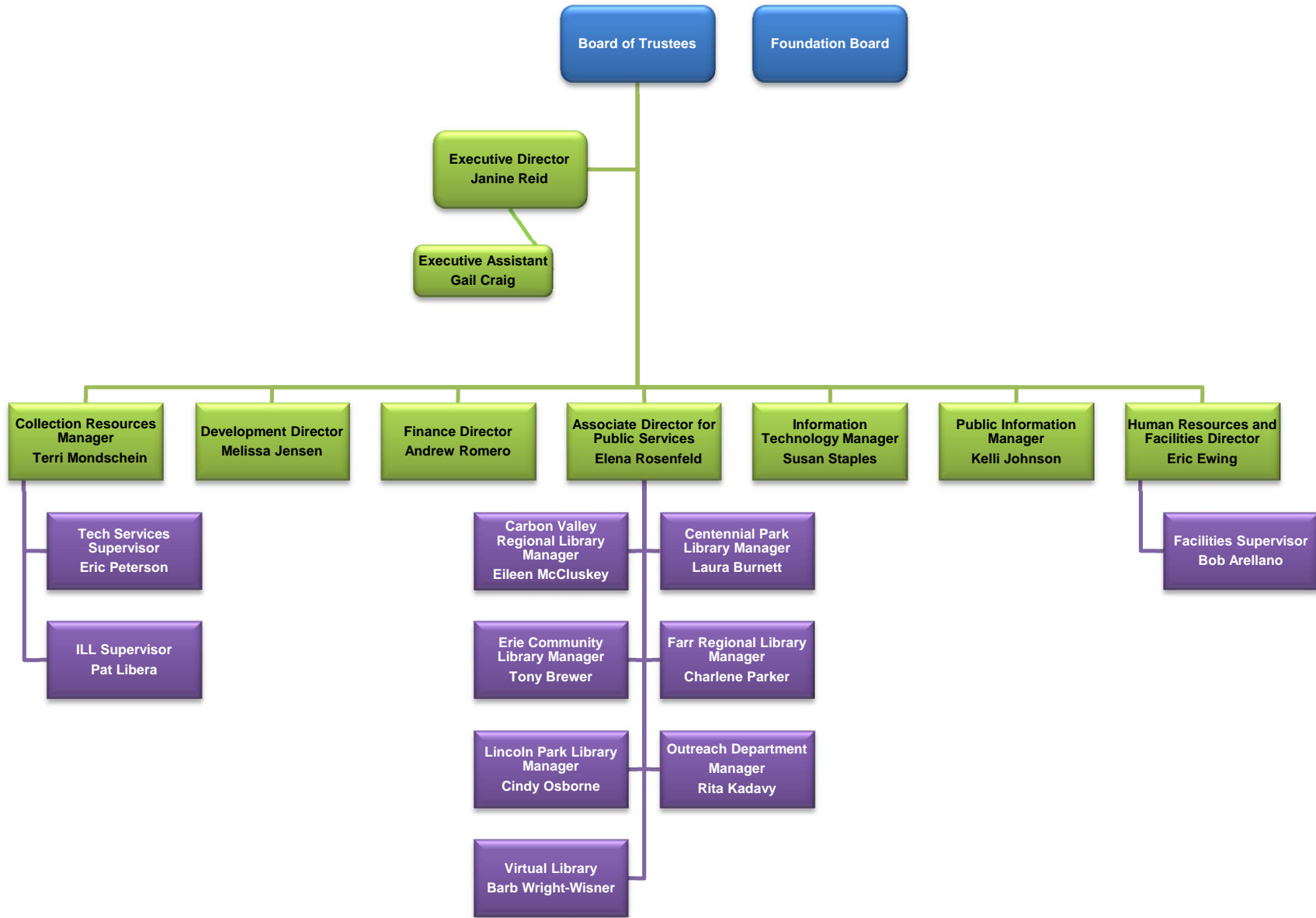
Andrew Romero, CGFM  
Finance Director



## HIGH PLAINS LIBRARY DISTRICT PRINCIPAL DISTRICT OFFICIALS

Janine Reid .....Executive Director  
Elena Rosenfeld.....Associate Director for Public Services  
Eric Ewing ..... Director of Human Resources & Facilities Director  
Melissa Jensen .....Foundation & Development Director  
Kelli Johnson..... Public Information Coordinator  
Terri Mondschein .....Collection Resources Manager  
Andrew Romero .....Finance Director  
Susan Staples ..... Information Technology Manager

# High Plains Library District - 2012



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

High Plains Library District  
Colorado

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Christopher P. Morinell*

President

*Jeffrey R. Emer*

Executive Director



## Independent Auditors' Report

Board of Trustees  
High Plains Library District  
Greeley, Colorado

We have audited the accompanying financial statements of the governmental activities and the major funds of the High Plains Library District as of December 31, 2012, and for the year then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major funds of the High Plains Library District as of December 31, 2012, and the changes in its financial position and the General Fund budgetary comparison for the year then ended in conformity with accounting principles generally accepted in the United States.

## **Other Matters**

Accounting principles generally accepted in the United States require that management discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the High Plains Library District. Such information is the responsibility of the management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Anderson & Whitney, P.C.*

May 20, 2013

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the report provides readers with a narrative overview and analysis of the financial activities of the High Plains Library District for the year ended December 31, 2012. We encourage readers to consider the information presented here in conjunction with the letter of transmittal and basic financial statements to enhance their understanding of the District's financial performance.

### FINANCIAL HIGHLIGHTS

- High Plains Library District's assets exceeded liabilities by \$28.3 million at the end of 2012. Of this amount, \$13.4 million may be used to meet the District's ongoing obligations to patrons and creditors. The remaining \$14.9 million are capital assets or are restricted by law.
- The District's General Fund balance was \$14.0 million as of December 31, 2012. Of this amount, \$515,291 is reserved for emergencies.
- The 2012 General Fund balance is \$.3 million higher than the previous year. The total fund balance is 81% of 2012 General Fund operating expenditures and transfers out.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements contain three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic statements, this report also contains other supplementary information including budgeting comparison statements for certain funds, and a statistical section.

**Government-wide Financial Statements:** The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances in a manner similar to a private sector business.

The *statement of net position* presents information on all of the District's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the District's financial position is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

The government-wide financial statements can be found on pages 17-22 of this report.

**Fund financial statements:** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. High Plains Library District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the High Plains Library District can be categorized as governmental funds.

**Governmental funds:** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources, as well as on balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

High Plains Library District maintains three individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, and Capital Projects Fund. Individual fund data for the Debt Service Fund and Capital Projects Fund is provided in the form of a budget comparison schedule on pages 36-37 of this report.

The basic governmental fund financial statements can be found on pages 17 through 22 of this report.

**Budgetary comparisons:** High Plains Library District adopts an annual appropriated budget for its funds. A budgetary comparison statement has been provided for the General Fund on pages 23 to 24 of this report. Budget to actual comparison for the Debt Service and Capital Projects funds is provided on pages 36 and 37.

**Notes to the financial statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25 through 35 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

**Net assets:** As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. As of December 31, 2012, assets exceeded liabilities by \$28.3 million.

The following table provides a summary of the District's net position at December 31:

Table 1 - Net position (in Millions)		
	2012	2011
<b>Assets</b>		
Current and other assets	\$ 34.8	\$31.1
Capital assets	30.3	30.5
<b>Total assets</b>	<b>65.1</b>	<b>61.6</b>
<b>Liabilities</b>		
Current and other liabilities	21.4	17.9
Long-term liabilities	15.4	16.9
<b>Total liabilities</b>	<b>36.8</b>	<b>34.8</b>
<b>Net Position</b>		
Net Investment in capital assets	13.5	12.3
Restricted	1.4	1.4
Unrestricted	13.4	13.1
<b>Total net position</b>	<b>\$ 28.3</b>	<b>\$ 26.8</b>

A significant portion of High Plains Library District's net assets (47%) represents unrestricted net assets of \$13.4 million, which may be used to meet the Library District's ongoing obligations to citizens and creditors.

Another significant portion of the Library District's net assets (48%) reflects its investment in capital assets. These assets include land, buildings, furniture, and equipment. These capital assets are used to provide services to citizens; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. The District's outstanding debt consists of the certificates of participation for the construction of the Farr Regional Library, the Carbon Valley Regional Library, the Erie Community Library, and remodel of other facilities. High Plains Library District has no other debt.

An additional \$1.4 million of the District's net assets (5%) represents resources that are subject to external restrictions on how they may be used. Included in this category are the reserves for TABOR emergency and debt service requirements.

The following table indicates the changes in net position:

Governmental Activities	2012	2011
Revenues:		
General revenues:		
Property and specific ownership taxes	\$ 17,129,579	\$14,581,876
Investment earnings	163,788	128,210
Program revenues:		
Charges for services	201,749	178,005
Operating grants and contributions	126,248	113,750
Total revenues	17,621,364	15,001,841
Expenses:		
Library services	11,720,299	10,367,000
Operations and maintenance	2,515,209	2,219,134
Depreciation	1,110,960	1,021,201
Interest on long-term debt	718,801	748,904
Total expenses	16,065,269	14,356,239
Increase in net position	\$ 1,556,095	\$ 645,602

### ***Governmental activities***

Governmental activities increased High Plains Library District's net position by \$1,556,095 in 2012. The key element to this change was the increased property taxes from anticipated increases in assessed property valuations for the 2012 collection year.

Expenses totaled a 12% increase over the previous year. Increases occurred in most categories due to normal wage inflation and costs of providing services to a growing patron population. Distributions to member libraries also increased as they are related to increased property taxes.



## FINANCIAL ANALYSIS OF THE LIBRARY DISTRICT'S FUNDS

As noted earlier, High Plains Library District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

*Governmental Funds Overview:* The focus of Library District governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Library District's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

As of the end of 2012, the combined ending fund balance of High Plains Library District governmental funds was \$15.0 million. Approximately 90% of this consists of unrestricted fund balance, which is available as working capital and for current spending in accordance with the purposes of the specific funds. The remainder of fund balance is restricted to indicate that it is not available for new spending because it is committed for the following purposes: 1) state-constitution mandated emergency reserve of \$515,291, 2) a debt service reserve of \$930,800, and 3) a capital projects reserve of \$28.

The District has three major governmental funds:

1. **General Fund.** This is the primary operating fund of the High Plains Library District. It accounts for all of the District's library services. The general fund balance was \$14.0 million as of December 31, 2012. The 2012 fund balance is \$.3 million more than the previous year. As a measure of the General Fund liquidity, it may be useful to compare both unrestricted fund balance and total fund balance to total fund expenditures and transfers out. Unrestricted fund balance represents 78% of total 2012 expenditures and transfers out, while total fund balance is 87% of the same amount.
2. **Debt Service Fund.** The debt service fund has a fund balance of \$930,800 all of which is restricted for the payment of debt. This balance increased slightly during the year.
3. **Capital Projects Fund.** The capital projects fund has a fund balance of \$28 as it was spent for the remodeling of the Centennial Park Library. This balance is part of the proceeds of the 2010 certificates of participation.

## GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared according to Colorado statutes. The most significant budgeted fund is the General Fund.

In December of 2012, the Board of Trustees appropriated \$18.0 million for general fund expenditures and other financing uses, anticipating a decrease in the fund balance by \$525 thousand. The actual increase was \$329 thousand due to higher specific ownership taxes received and expenditures held under budget. The budget was not amended during the year.

<b>Table</b>		
<b>2012 General Fund Budget</b>		
<b>(in Millions)</b>		
	Budget	Actual
Beginning Fund Balance	\$ 13.7	\$13.7
Revenue	17.5	17.6
Expenditures and other financing uses	(18.0)	(17.3)
Ending Fund Balance	<b>\$ 13.2</b>	<b>\$ 14.0</b>

## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital Assets:** High Plains Library District's investment in capital assets for its governmental activities as of December 31, 2012 totals \$30.3 million (net of accumulated depreciation). This investment includes all land, buildings, opening day collections, furniture, and equipment.

Additional information on the District's capital assets can be found in Note 4 of this report.

**Long-term debt:** At December 31, 2012, High Plains Library District had outstanding long-term debt (principal amount) of \$17.1 million in Certificates of Participation (COP's), funded by lease payments for building the Farr Regional Library, the Carbon Valley Regional Library, the Erie Community Library, and remodeling the other facilities.

Additional information on High Plains Library District's debt can be found in Note 5.

## **OTHER MATTERS**

The following factors are expected to have a significant effect on the High Plains Library District's financial position or results of operations and were taken into account in developing the 2013 budget:

- Continued modest growth in Weld County causes increased demands in all service areas of the library system.
- Oil and gas property tax revenues continue to be very volatile. Property tax revenue is expected to increase by 20% in 2013 compared to 2012. Budgeted expenditures for 2013 were increased to fund the construction of a new branch library in the City of Evans, address the relocation of the Lincoln Park library from its current location and meet the demands placed by our patrons for library materials as well as increased programing for all ages.
- Interest rates are improving which will have a possible impact on investment income.
- The economy is beginning to show signs of improvements in the State of Colorado and Weld County.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of High Plains Library District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided or for additional financial information should be addressed to the Finance Director, 2650 West 29<sup>th</sup> Street Greeley, CO 80631.

# HIGH PLAINS LIBRARY DISTRICT

## GOVERNMENTAL FUNDS BALANCE SHEET/ STATEMENT OF NET POSITION

December 31, 2012	General Fund	Debt Service Fund	Capital Projects Fund
<b><u>ASSETS</u></b>			
Cash and Investments	\$ 14,708,452	\$ 958,967	\$ 28
Receivables:			
Property taxes	19,073,946	-	-
Other libraries	17,506	-	-
Debt issuance costs	-	-	-
Capital Assets:			
Depreciable	-	-	-
Nondepreciable	-	-	-
<b>Total Assets</b>	<b>\$ 33,799,904</b>	<b>\$ 958,967</b>	<b>\$ 28</b>
<b><u>LIABILITIES</u></b>			
Accounts Payable	\$ 386,475	\$ -	\$ -
Accrued Expenses	282,431	28,167	-
Unearned Revenue	19,073,946	-	-
Long-Term Liabilities:			
Due within one year	-	-	-
Due after one year	-	-	-
<b>Total Liabilities</b>	<b>19,742,852</b>	<b>28,167</b>	<b>-</b>
<b><u>FUND BALANCES/NET POSITION</u></b>			
Fund Balances:			
Restricted for:			
Emergencies	515,291	-	-
Debt service and capital	-	930,800	28
Assigned for capital projects	7,500,000	-	-
Unassigned	6,041,761	-	-
<b>Total Fund Balances</b>	<b>14,057,052</b>	<b>930,800</b>	<b>28</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 33,799,904</b>	<b>\$ 958,967</b>	<b>\$ 28</b>
Net Position:			
Net investment in capital assets			
Restricted for debt service and capital			
Restricted for emergencies			
Unrestricted			
<b>Total Net Position</b>			

See Accompanying Notes to Financial Statements.

Total	Adjustments (Note 10)	Statement of Net Position
\$ 15,667,447	\$ -	\$ 15,667,447
19,073,946	-	19,073,946
17,506	-	17,506
-	100,743	100,743
-	27,051,799	27,051,799
-	3,211,822	3,211,822
<u>\$ 34,758,899</u>	<u>\$ 30,364,364</u>	<u>\$ 65,123,263</u>
\$ 386,475	\$ -	\$ 386,475
310,598	-	310,598
19,073,946	-	19,073,946
-	1,572,656	1,572,656
-	15,435,995	15,435,995
<u>19,771,019</u>	<u>17,008,651</u>	<u>36,779,670</u>
515,291	(515,291)	-
930,828	(930,828)	-
7,500,000	(7,500,000)	-
6,041,761	(6,041,761)	-
<u>14,987,880</u>	<u>(14,987,880)</u>	<u>-</u>
<u>\$ 34,758,899</u>		
	13,537,209	13,537,209
	930,828	930,828
	515,291	515,291
	13,360,265	13,360,265
	<u>\$ 28,343,593</u>	<u>\$ 28,343,593</u>

# HIGH PLAINS LIBRARY DISTRICT

## STATEMENT OF GOVERNMENTAL FUNDS REVENUE, EXPENDITURES AND CHANGE IN FUND BALANCES/ STATEMENT OF ACTIVITIES

Year Ended December 31, 2012	General Fund	Debt Service Fund	Capital Projects Fund	Total
<b>Revenue:</b>				
General property taxes	\$15,831,793	\$ -	\$ -	\$15,831,793
Specific ownership taxes	1,280,320	-	-	1,280,320
Penalties and interest on delinquent taxes	17,466	-	-	17,466
Charges for services	25,106	-	-	25,106
Library fines	168,186	-	-	168,186
Earnings on investments	161,554	2,234	-	163,788
Contributions in kind - rent	113,750	-	-	113,750
Donations	-	-	-	-
Grant	12,498	-	-	12,498
Miscellaneous	8,457	-	-	8,457
<b>Total Revenue</b>	<b>17,619,130</b>	<b>2,234</b>	<b>-</b>	<b>17,621,364</b>
<b>Expenditures/Expenses:</b>				
<b>Current:</b>				
Salaries, wages, and benefits	6,723,847	-	-	6,723,847
Supplies	257,763	-	-	257,763
Small equipment	43,104	-	-	43,104
Software	143,194	-	-	143,194
Postage	24,599	-	-	24,599
Printing	4,940	-	-	4,940
Book collections	722,977	-	-	722,977
Periodicals	42,560	-	-	42,560
Public relations	56,505	-	-	56,505
Audio visual	245,621	-	-	245,621
CD and online databases	228,788	-	-	228,788
Telephone	177,979	-	-	177,979
Contract services	634,124	-	-	634,124
Buildings and grounds	187,750	-	-	187,750
Travel and meetings	115,178	-	-	115,178
County Treasurer's fees	237,515	-	-	237,515
Maintenance of equipment	615,244	-	-	615,244
Memberships	35,020	-	-	35,020
Miscellaneous	42,457	-	-	42,457
Insurance	40,243	-	-	40,243
Rent	113,750	-	-	113,750
Utilities	315,949	-	-	315,949
Grants-in-aid	3,228,506	-	-	3,228,506
Depreciation	-	-	-	-
<b>Total Current</b>	<b>14,237,613</b>	<b>-</b>	<b>-</b>	<b>14,237,613</b>

Continued on next page.

Adjustments (Note 11)	Statement of Activities
\$ -	\$15,831,793
-	1,280,320
-	17,466
-	25,106
-	168,186
-	163,788
-	113,750
-	-
-	12,498
-	8,457
-	17,621,364
(2,105)	6,721,742
-	257,763
-	43,104
-	143,194
-	24,599
-	4,940
-	722,977
-	42,560
-	56,505
-	245,621
-	228,788
-	177,979
-	634,124
-	187,750
-	115,178
-	237,515
-	615,244
-	35,020
-	42,457
-	40,243
-	113,750
-	315,949
-	3,228,506
1,110,960	1,110,960
1,108,855	15,346,468

# HIGH PLAINS LIBRARY DISTRICT

## STATEMENT OF GOVERNMENTAL FUNDS REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES - Continued

Year Ended December 31, 2012	General Fund	Debt Service Fund	Capital Projects Fund	Total
Expenditures/Expenses - Continued:				
Capital Outlay	\$ 957,104	\$ -	\$ -	\$ 957,104
Debt Service:				
Principal	-	1,450,000	-	1,450,000
Interest and Fees	-	646,756	-	646,756
Debt issuance costs	-	-	-	-
Total Expenditures/Expenses	15,194,717	2,096,756	-	17,291,473
Revenue Over (Under) Expenditures	2,424,413	(2,094,522)	-	329,891
Other Financing Sources (Uses):				
Transfers - internal activities	(2,095,385)	2,095,385	-	-
Net Change in Fund Balances/Net Position	329,028	863	-	329,891
Fund Balances/Net Position, Beginning of Year	13,728,024	929,937	28	14,657,989
Fund Balances/Net Position, End of Year	\$14,057,052	\$ 930,800	\$ 28	\$14,987,880

See Accompanying Notes to Financial Statements.

Adjustments (Note 11)	Statement of Activities
\$ (957,104)	\$ -
(1,450,000)	-
57,656	704,412
14,389	14,389
(1,226,204)	16,065,269
1,226,204	1,556,095
-	-
1,226,204	1,556,095
12,129,509	26,787,498
<u>\$ 13,355,713</u>	<u>\$ 28,343,593</u>



# HIGH PLAINS LIBRARY DISTRICT

## BUDGETARY COMPARISON STATEMENT - GENERAL FUND

Year Ended December 31, 2012	Actual	Original and Final Budget	Variance
Revenue:			
General property taxes	\$15,831,793	\$15,773,648	\$ 58,145
Specific ownership taxes	1,280,320	1,020,000	260,320
Penalties and interest on delinquent taxes	17,466	106,808	(89,342)
Grants	12,498	50,000	(37,502)
Charges for services	25,106	24,000	1,106
Library fines	168,186	155,000	13,186
Earnings on investments	161,554	250,000	(88,446)
Contributions - in kind	113,750	113,750	-
Donations	-	-	-
Miscellaneous	8,457	7,000	1,457
<b>Total Revenue</b>	<b>17,619,130</b>	<b>17,500,206</b>	<b>118,924</b>
Expenditures:			
Current:			
Salaries, wages, and benefits	6,723,847	6,913,084	189,237
Supplies	257,763	319,403	61,640
Small equipment	43,104	43,210	106
Software	143,194	187,534	44,340
Postage	24,599	29,760	5,161
Printing	4,940	19,450	14,510
Book collection	722,977	701,200	(21,777)
Periodicals	42,560	45,000	2,440
Public relations	56,505	71,600	15,095
Audio visual	245,621	469,000	223,379
CD and Online databases	228,788	140,000	(88,788)
Telephone	177,979	208,023	30,044
Contract services	634,124	723,750	89,626
Buildings and grounds	187,750	140,000	(47,750)
Travel, training, and meetings	115,178	109,785	(5,393)
County Treasurer's fees	237,515	236,606	(909)
Maintenance of equipment	615,244	331,045	(284,199)
Memberships	35,020	15,101	(19,919)
Miscellaneous	42,457	9,570	(32,887)
Insurance	40,243	46,000	5,757
Rent	113,750	113,750	-
Utilities	315,949	360,265	44,316
Grants-in-aid	3,228,506	3,228,506	-
<b>Total Current</b>	<b>14,237,613</b>	<b>14,461,642</b>	<b>224,029</b>
<b>Capital Outlay</b>	<b>957,104</b>	<b>1,464,340</b>	<b>507,236</b>
<b>Total Expenditures</b>	<b>15,194,717</b>	<b>15,925,982</b>	<b>731,265</b>

Continued on next page.

# HIGH PLAINS LIBRARY DISTRICT

## BUDGETARY COMPARISON STATEMENT - GENERAL FUND - Continued

Year Ended December 31, 2012	Actual	Original and Final Budget	Variance
Revenue Over Expenditures	\$ 2,424,413	\$ 1,574,224	\$ 850,189
Other Financing Sources (Uses):			
Transfer to Debt Service Fund	(2,095,385)	(2,099,556)	4,171
Excess of Revenue Over Expenditures and Other Financing Sources (Uses)	329,028	(525,332)	854,360
Fund Balances - Beginning	13,728,024	13,728,024	-
Fund Balances - Ending	\$14,057,052	\$13,202,692	\$ 854,360

See Accompanying Notes to Financial Statements.

# HIGH PLAINS LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 1 - Summary of Significant Accounting Policies:**

The accounting and reporting policies of the High Plains Library District (the District) conform to accounting principles generally accepted in the United States. The following summary of significant accounting policies is presented to assist the reader in evaluating the District's financial statements.

---

#### Reporting Entity:

The Weld Library District was established on September 11, 1985, under the provisions of Article 90 of Title 24 of the Colorado Revised Statutes. The Weld County Commissioners together with the city councils of Evans, Fort Lupton, and Greeley, and the town boards of Ault, Eaton, and Hudson, Colorado, and the governing board of Weld School District RE-8 acted to establish the Weld Library District. On April 21, 2008, the District's Board of Trustees approved a name change to the High Plains Library District. The Library District Board was originally appointed by the Weld County Commissioners with concurrence of the city councils and has total autonomy under the State Library Act to incur debt, establish budgets, and levy property taxes to support the District's library system.

In addition, the Weld Library Finance Corporation was formed in 2001 for the purpose of purchasing, leasing, or otherwise acquiring certain real property and to construct or install certain improvements in the service area of the District. The Weld Library Finance Corporation is blended with the financial statements of the District.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States as applied to governmental entities. The following summary of significant accounting policies is presented to assist the reader in evaluating the District's financial statements.

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#### Government-wide and Fund Financial Statements:

The District reports as a special purpose government engaged in a single governmental program. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Government activities are supported by taxes and intergovernmental revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

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# HIGH PLAINS LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 - Summary of Significant Accounting Policies - Continued:

#### Measurement Focus, Basis of Accounting, and Financial Statement Presentation:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within a current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes and interest associated with the current year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

The *debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term debt of the District.

The *capital projects fund* accounts for the acquisition and construction of major capital facilities.

---

#### Fund Equity:

In the fund financial statements, governmental funds report restrictions of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

Restrictions for the District are recorded up to the maximum equity available in the fund balance and consist of:

# HIGH PLAINS LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 - Summary of Significant Accounting Policies - Continued:

#### Fund Equity – Continued:

##### Restricted for Emergencies:

These restrictions are established to comply with TABOR. Recorded TABOR restrictions at December 31, 2012 are \$515,291.

##### Restricted for Debt Services:

A restricted fund of \$930,800 is required by the 2010 certificates of participation.

Assigned fund balances, if any, are amounts the District intends to use for a specific purpose. Intent can be expressed by the Board of Trustees or by an official to which the Board delegates the authority. Restricted funds are considered to be spent first, followed by assigned and unassigned, for an expenditure for which any could be used.

---

#### Net Position:

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition and construction of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

---

#### Budget:

An annual budget and appropriation ordinance is adopted by the Board in accordance with the Colorado State Budget Law. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States for all governmental funds. The accounting system is employed as a budgetary management control device during the year to monitor the individual expenditures. The legal level of control is at the fund level. All annual appropriations lapse at year end. No budget amendments were necessary.

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# HIGH PLAINS LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 - Summary of Significant Accounting Policies - Continued:

#### Capital Assets:

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated. Acquisitions of capital assets are recorded as capital outlay expenditures within the governmental funds. The District's capitalization level is \$5,000.

Capital assets are depreciated as appropriate for the government-wide statement of activities. Depreciation is provided on the straight-line basis over useful lives ranging from three years for computer equipment to fifty years for buildings.

The library's "opening day" collection of books and other materials is capitalized at estimated historical cost. As individual items are replaced or updated as necessary, the collection is considered inexhaustible and is not depreciated. Subsequent purchases of materials are not capitalized unless they significantly expand the opening day collection.

---

#### Property Taxes:

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied no later than December 15 and are payable in two installments on February 28 and June 15 or in full on April 30. The District records delinquent tax payments in the year received, as delinquent taxes are believed to be uncollectible. The Weld County Treasurer and the Boulder County Treasurer bill and collect the property taxes for the District.

The original January 1, 2012, levies for the general fund of the District are as follows:

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	Mill Levy	Amount
General Fund	3.249	\$15,880,456

---

#### Vacation and Sick Leave:

Accrued sick leave for the District is accounted for in the government-wide statement of net assets. Sick leave is earned when vested and recorded as an expenditure in the general fund when paid. In the event of retirement or termination, an employee whose date of hire is prior to January 1, 1985, is paid for 50% of accumulated sick-leave hours up to the equivalent of one month.

Accrued vacation for the District is accounted for in the government-wide statement of net assets. The maximum accumulation is two times the annual accrual. Upon termination or retirement, employees are paid for their accrued vacation. Accrued vacation is recorded as an expenditure in the General Fund when paid.

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# HIGH PLAINS LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 1 - Summary of Significant Accounting Policies - Continued:**

#### Investments:

Short-term investments are reported at cost, which approximates fair value.

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### **NOTE 2 - Cash and Investments:**

The District's bank accounts at year end were entirely covered by federal depository insurance or by collateral held by the District's custodial bank under provisions of the Colorado Public Deposit Protection Act.

The Colorado Public Deposit Protection act requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral includes municipal bonds, U.S. government securities, mortgages and deeds of trust.

State statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of the state of Colorado or of any county, school district, and certain towns and cities therein, notes or bonds secured by insured mortgages or trust deeds, obligations of national mortgage associations, and certain repurchase agreements.

The District's investment policy is not more restrictive than State statutes. The District's investments are concentrated in money market funds and local government investment pools (1.3%), U.S. treasury bonds (10.3%), U.S. sponsored agency bonds (59.1%), corporate bonds (20.9%), and commercial paper (8.4%).

Colorado Revised Statutes limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair values arising from increasing interest rates.

At December 31, 2012, the Library District held General Fund investments of \$192,957, Debt Service Fund investments of \$958,967 and Capital Projects Fund investments of \$28 in the Colorado Local Government Liquid Asset Trust (COLOTRUST), which is a 2a7-like investment pool. The investment pool is routinely monitored by the Colorado Division of Securities with regard to operations and investments. Investments are valued at amortized cost with each share valued at \$1.00. COLOTRUST is rated AAAM by Standard & Poor's.

# HIGH PLAINS LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2 - Cash and Investments - Continued:

Investments held as of December 31, 2012 are as follows:

	Cost	Fair Value
U.S. Government Treasury and Sponsored Agency Bonds, primarily FNMA, FFCB, and FHLMC, maturing in 2013 through 2016, rated AAA by Standard & Poor's	\$ 10,266,535	\$ 10,317,889
Corporate Bonds, maturing 2013 through 2015, rated AA+ by Standard & Poor's	3,091,630	3,067,582
Commercial Paper, maturing in 2013, rated A-1 by Standard & Poor's	1,250,406	1,255,542
<b>Total</b>	<b>\$14,608,571</b>	<b>\$14,641,013</b>

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### NOTE 3 - Grants-In-Aid:

Cash grants-in-aid sent to member libraries to help support their facilities are listed below:

Year Ended December 31, 2012	Amount
Town of:	
Ault	\$ 360,866
Eaton	543,472
Fort Lupton	741,838
Hudson	642,754
Johnstown	321,597
Platteville	617,979
	<b>\$ 3,228,506</b>

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Grants-in-aid are determined by the amount of property tax collected from incorporated areas. Additional grants-in-aid in the form of equipment donations are also occasionally made.

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# HIGH PLAINS LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

### NOTE 4 – Capital Assets:

Capital asset activity for the year ended December 31, 2012 was as follows:

	Balance, 01/01/12	Additions	Deletions	Balance, 12/31/12
Not Depreciated:				
Land	\$ 716,670	\$ --	\$ --	\$ 716,670
Opening day book collection	2,495,152	--	--	2,495,152
Depreciated:				
Buildings	26,896,742	--	22,611	26,874,131
Building improvements	2,801,244	757,797	6,348	3,552,693
Equipment and furniture	3,357,908	199,307	107,138	3,450,077
Total Cost	36,267,716	957,104	136,097	37,088,723
Less Accumulated Depreciation:				
Buildings	3,030,994	599,782	1,696	3,629,080
Building improvements	945,328	120,169	4,443	1,061,054
Equipment and furniture	1,873,917	356,084	95,033	2,134,968
Total Accumulated Depreciation	5,850,239	1,076,035	101,172	6,825,102
Capital Assets, net	\$ 30,417,477	\$ (118,931)	\$ 34,925	\$30,263,621

### NOTE 5 - Long-Term Liabilities:

December 31	2012
\$9,580,000 Refunding Certificates of Participation (2010) due in varying installments through December 15, 2019, interest at 2.00 – 3.00%	\$ 7,010,000
Less Deferred Amounts	(403,588)
\$12,110,000 Certificates of Participation (2006) due in varying installments through December 15, 2026, interest at 4.0 – 5.1%	10,120,000
	\$ 16,726,412

# HIGH PLAINS LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5 - Long-Term Liabilities - Continued:

The annual requirements to repay these certificates as of December 31, 2012, are as follows:

Years Ending December 31	Principal	Interest	Total
2013	\$ 1,495,000	\$ 602,956	\$ 2,097,956
2014	1,530,000	561,956	2,091,956
2015	1,570,000	519,856	2,089,856
2016	1,615,000	476,556	2,091,556
2017	1,665,000	428,125	2,093,125
2018-2022	5,760,000	1,375,750	7,135,750
2023-2026	3,495,000	434,125	3,929,125
	\$ 17,130,000	\$ 4,399,324	\$ 21,529,324

Underlying the Certificates is an annually renewable lease entered into between the District and the Weld Library Finance Corporation, a Colorado nonprofit corporation created to facilitate District financings for library buildings in Weld County. The Certificates are payable solely from the rentals paid by the District, proceeds of certain insurance policies and proceeds of foreclosure on and sale of the property, if necessary. Neither the certificates nor the lease gives rise to a general obligation of the District. As the chance of the lease not being renewed is remote, the Certificates are recorded as a long-term liability.

Transfers from the General Fund to the Debt Service Fund are made to fund these payments.

Changes in long-term liabilities during the year were as follows:

	Balance 01/01/12	Additions	Deletions	Balance 12/31/12	Due Within One Year
Certificates of Participation – 2006	\$ 10,650,000	\$ --	\$ 530,000	\$ 10,120,000	\$ 555,000
Refunding Certificates of Participation - 2010	7,930,000	--	920,000	7,010,000	940,000
Less: Deferred Amounts Compensated Absences	(461,244)	--	(57,656)	(403,588)	57,656
	284,344	12,545	14,650	282,239	20,000
	\$ 18,403,100	\$ 12,545	\$ 1,406,994	\$ 17,008,651	\$ 1,572,656

# HIGH PLAINS LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 6 - Consolidation Agreement with City of Greeley:**

On December 28, 1990, the District entered into an intergovernmental agreement with the City of Greeley to consolidate their operations. The agreement provides for the transfer of the ownership and control of all of the Greeley Public Library to the District exclusive of the building previously housing the Greeley Public Library along with all associated appurtenances and fixtures. During 2003, the District renewed the agreement with the City of Greeley for ten years.

The District rents a library building from the City of Greeley for \$10 per year. These yearly rents have been adjusted in the financial statements to recognize the fair market value of these facilities. Rents equal to the approximate fair market value has been recorded as contributed revenue and like amounts have been recorded as offsetting in-kind expenditures in the amount of \$113,750.

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### **NOTE 7 - Risk Management:**

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and injuries to employees and natural disasters.

The District purchases commercial insurance for risks of loss in excess of deductible amounts. Insurance coverage has not been significantly reduced from prior years and settlements have not exceeded insurance coverage in the past three years.

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### **NOTE 8 - Taxpayer's Bill of Rights:**

In November 1992, the voters of Colorado approved Amendment 1, commonly known as the Taxpayer's Bill of Rights (TABOR), which added a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue, and debt limitations which apply to the State of Colorado and all local governments.

TABOR generally requires voter approval for any new tax, tax rate increase, mill levy increase, or issuance of new debt. Spending not subject to TABOR includes that from enterprise activities, gifts, federal funds, reserve expenditures, damage awards or property sales.

Included in the accompanying financial statements in the General Fund is an emergency reserve of \$515,291 as required by TABOR. In November 1999, voters approved a District mill levy increase of 1.8 mills and a resolution to exempt the increase from TABOR. The mill levy shall be reduced by \$1 million annually beginning in the collection year of 2020.

TABOR is complex and subject to interpretation. Ultimate implementation may depend upon litigation and legislative guidance.

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# HIGH PLAINS LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 9 – Retirement Plan:

The High Plains Library District pension plan is a single-employer, defined contribution retirement plan. The plan provides retirement and death benefits to plan members and beneficiaries. The Board of Trustees maintains the authority to establish and amend provisions of the plan. Employees of the High Plains Library District who are hired to work at least 30 hours per week and are at least 18 years of age are eligible to participate in the plan. Participants are always 100% vested in their participant contributions and become fully vested in the employer contributions after 5 years of service. The plan is administered by John Hancock.

The contribution requirements of plan members and the District are established and maintained by the Board of Trustees. Plan members are required to contribute 6% of their annual covered payroll. The District is required to contribute 6% of annual covered payroll. During 2012, employees contributed \$256,125 and the District contributed \$256,125 to the plan.

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### NOTE 10 – Explanation of Adjustments Between Governmental Funds Balance Sheet and the Statement of Net Position:

Amounts reported in the statement of net position are different because (see Note 11 also):

December 31	2012
Total fund balances of governmental funds	\$ 14,987,880
Capital assets and debt issuance costs used in governmental activities are not financial resources and therefore are not reported in the funds	30,364,364
Long-term liabilities, including C.O.P.'s payable, are not due and payable in the current period and therefore are not reported in the funds	(17,008,651)
<u>Total Net Position</u>	<u>\$ 28,343,593</u>

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# HIGH PLAINS LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 11 - Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities:**

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Amounts reported for governmental activities in the statement of activities are different because (see Note 10 also):

<u>Year Ended December 31</u>	<u>2012</u>
Net change in fund balances – total governmental funds	\$ 329,891
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as a depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current year.	(153,856)
The issuance of long term debt (e.g., COP's) provides current financial resources to government funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	1,377,955
Compensated absence expense reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in governmental funds	2,105
<u>Change in Net Position of Governmental Activities</u>	<u>\$ 1,556,095</u>

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# HIGH PLAINS LIBRARY DISTRICT

## BUDGETARY COMPARISON SCHEDULE - DEBT SERVICE FUND

Year Ended December 31, 2012	Actual	Original and Final Budget	Variance
Revenue:			
Earnings on investments	\$ 2,234	\$ 720	\$ 1,514
Total Revenue	2,234	720	1,514
Expenditures:			
Debt service	2,096,756	2,099,556	2,800
Total Expenditures	2,096,756	2,099,556	2,800
Revenue Under Expenditures	(2,094,522)	(2,098,836)	4,314
Other Financing Sources (Uses):			
Transfer from General Fund	2,095,385	2,092,556	2,829
Revenue and Other Financing Sources Over Expenditures	863	(6,280)	7,143
Fund Balance - Beginning	929,937	929,937	-
Fund Balance - Ending	\$ 930,800	\$ 923,657	\$ 7,143

# HIGH PLAINS LIBRARY DISTRICT

## BUDGETARY COMPARISON SCHEDULE - CAPITAL PROJECTS FUND

Year Ended December 31, 2012	Actual	Original and Final Budget	Variance
Revenue:			
Earnings on investments	\$ -	\$ 100	\$ (100)
Total Revenue	-	100	(100)
Expenditures:			
Trustee management fee	-	-	-
Capital outlay	-	200	200
Total Expenditures	-	200	200
Revenue Under Expenditures	-	(100)	100
Other Financing Sources (Uses):			
Transfer from General Fund	-	-	-
Revenue and Other Financing Sources Over Expenditures	-	(100)	100
Fund Balance - Beginning	28	100	(72)
Fund Balance - Ending	\$ 28	\$ -	\$ 28

## STATISTICAL SECTION





**STATISTICAL SECTION**  
(unaudited)

This part of the High Plains Library District’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the district’s overall financial health.

<b>Contents</b>	<b>Pages</b>
Financial Trends	
<i>These schedules contain trend information to help the reader understand how the district’s financial performance and well-being have changed over time.....</i>	<i>40-45</i>
Revenue Capacity	
<i>These schedules contain information to help the reader assess the district’s most significant local revenue source, the property tax.....</i>	<i>46-48</i>
Debt Capacity	
<i>These schedules present information to help the reader assess the affordability of the district’s current levels of outstanding debt and the district’s ability to issue additional debt in the future.....</i>	<i>49-51</i>
Demographic and Economic Information	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the district’s financial activities take place.....</i>	<i>52-53</i>
Operating Information	
<i>These schedules contain service data to help the reader understand how the information in the district’s financial report relates to the services the district provides and the activities it performs.....</i>	<i>54-56</i>

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**High Plains Library District  
Net Position by Component  
Last Ten Years  
(accrual basis of accounting)**

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 3,928,790	\$ 4,793,638	\$ 4,683,065	\$ 5,083,956	\$ 7,494,429	\$ 9,056,248	\$ 11,402,832	\$ 12,011,872	\$ 12,298,749	\$ 13,537,209
Restricted for										
Debt service	996,895	990,678	992,448	994,391	982,877	968,184	972,355	916,009	929,937	515,291
Emergencies	85,000	246,010	246,010	377,228	437,649	464,902	451,652	555,749	449,770	930,828
Unrestricted	6,877,703	6,270,109	7,605,489	9,889,106	11,300,000	11,793,599	10,105,814	12,658,266	13,109,042	13,360,265
<b>Total governmental activities net position</b>	<b>\$ 11,888,388</b>	<b>\$ 12,300,435</b>	<b>\$ 13,527,012</b>	<b>\$ 16,344,681</b>	<b>\$ 20,214,955</b>	<b>\$ 22,282,933</b>	<b>\$ 22,932,653</b>	<b>\$ 26,141,896</b>	<b>\$ 26,787,498</b>	<b>\$ 28,343,593</b>
<b>Primary government:</b>										
Net investment in capital assets	3,928,790	4,793,638	4,683,065	5,083,956	7,494,429	9,056,248	11,402,832	12,011,872	12,298,749	13,537,209
Restricted	1,081,895	1,236,688	1,238,458	1,371,619	1,420,526	1,433,086	1,424,007	1,471,758	1,379,707	1,446,119
Unrestricted	6,877,703	6,270,109	7,605,489	9,889,106	11,300,000	11,793,599	10,105,814	12,658,266	13,109,042	13,360,265
<b>Total primary government net position</b>	<b>\$ 11,888,388</b>	<b>\$ 12,300,435</b>	<b>\$ 13,527,012</b>	<b>\$ 16,344,681</b>	<b>\$ 20,214,955</b>	<b>\$ 22,282,933</b>	<b>\$ 22,932,653</b>	<b>\$ 26,141,896</b>	<b>\$ 26,787,498</b>	<b>\$ 28,343,593</b>

**High Plains Library District  
Changes in Net Position  
Last Ten Years  
(accrual basis of accounting)**

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Expenses</b>										
Governmental activities:										
General government	\$ 6,195,333	\$ 7,383,992	\$ 8,262,595	\$ 9,320,875	\$ 10,292,240	\$ 12,563,649	\$ 13,479,401	\$ 14,544,604	\$ 13,607,335	\$ 15,346,468
Interest on long term debt	532,488	524,887	500,984	480,715	1,015,541	956,850	927,203	772,337	734,515	704,412
Debt issuance costs	-	-	-	-	-	-	-	-	14,389	14,389
Total governmental activities expenses	\$ 6,727,821	\$ 7,908,879	\$ 8,763,579	\$ 9,801,590	\$ 11,307,781	\$ 13,520,499	\$ 14,406,604	\$ 15,316,941	\$ 14,356,239	\$ 16,065,269
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	93,336	110,936	132,401	147,131	179,480	167,380	195,387	197,986	178,005	201,749
Operating grants and contributions	128,460	122,991	113,950	128,750	246,986	553,113	113,750	138,750	113,750	126,248
Total governmental activities program revenues	\$ 221,796	\$ 233,927	\$ 246,351	\$ 275,881	\$ 426,466	\$ 720,493	\$ 309,137	\$ 336,736	\$ 291,755	\$ 327,997
<b>Net (Expenses)/Revenue</b>										
Governmental activities										
Total primary government net	\$ (6,506,025)	\$ (7,674,952)	\$ (8,517,228)	\$ (9,525,709)	\$ (10,881,315)	\$ (12,800,006)	\$ (14,097,467)	\$ (14,980,205)	\$ (14,064,484)	\$ (15,737,272)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes:										
Property taxes	\$ 7,004,605	\$ 7,089,351	\$ 8,527,897	\$ 10,793,756	\$ 12,409,983	\$ 13,009,141	\$ 13,278,755	\$ 16,906,588	\$ 13,602,800	\$ 15,849,259
Specific ownership	797,454	906,280	955,943	1,097,230	1,230,703	1,211,207	1,048,351	1,044,416	979,076	1,280,320
Unrestricted investment earnings	98,299	91,368	259,965	452,392	1,110,903	647,636	420,081	238,444	128,210	163,788
Total governmental activities	7,900,358	8,086,999	9,743,805	12,343,378	14,751,589	14,867,984	14,747,187	18,189,448	14,710,086	17,293,367
Total primary government	\$ 7,900,358	\$ 8,086,999	\$ 9,743,805	\$ 12,343,378	\$ 14,751,589	\$ 14,867,984	\$ 14,747,187	\$ 18,189,448	\$ 14,710,086	\$ 17,293,367
<b>Change in Net Position</b>										
Governmental activities	\$ 1,394,333	\$ 412,047	\$ 1,226,577	\$ 2,817,669	\$ 3,870,274	\$ 2,067,978	\$ 649,720	\$ 3,209,243	\$ 645,602	\$ 1,556,095
Total primary government	\$ 1,394,333	\$ 412,047	\$ 1,226,577	\$ 2,817,669	\$ 3,870,274	\$ 2,067,978	\$ 649,720	\$ 3,209,243	\$ 645,602	\$ 1,556,095

**High Plains Library District  
Fund Balances of Governmental Funds  
Last Ten Years**

(modified accrual basis of accounting)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund										
Restricted	\$ 85,000	\$ 246,010	\$ 246,010	\$ 377,228	\$ 437,649	\$ 464,902	\$ 451,652	\$ 555,749	\$ 449,770	\$ 515,291
Unrestricted	7,033,223	6,415,643	7,770,439	10,069,028	11,504,420	12,021,916	10,339,711	12,800,520	13,278,254	13,541,761
Total general fund	<u>\$ 7,118,223</u>	<u>\$ 6,661,653</u>	<u>\$ 8,016,449</u>	<u>\$ 10,446,256</u>	<u>\$11,942,069</u>	<u>\$ 12,486,818</u>	<u>\$ 10,791,363</u>	<u>\$ 13,356,269</u>	<u>\$ 13,728,024</u>	<u>\$ 14,057,052</u>
All other Governmental Funds										
Restricted	\$ 996,895	\$ 990,678	\$ 992,448	\$ 12,660,356	\$ 1,700,247	\$ 1,023,775	\$ 976,128	\$ 1,435,069	\$ 929,965	\$ 930,828
Total for all governmental funds	<u>\$ 8,115,118</u>	<u>\$ 7,652,331</u>	<u>\$ 9,008,897</u>	<u>\$ 23,106,612</u>	<u>\$13,642,316</u>	<u>\$ 13,510,593</u>	<u>\$ 11,767,491</u>	<u>\$ 14,791,338</u>	<u>\$ 14,657,989</u>	<u>\$ 14,987,880</u>

**High Plains Library District**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Years**

(modified accrual basis of accounting)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Revenues</b>										
Taxes	\$ 7,802,059	\$ 7,995,631	\$ 9,483,840	\$ 11,890,986	\$ 13,640,686	\$ 14,220,348	\$ 14,327,106	\$ 17,951,004	\$ 14,581,876	\$ 17,129,579
Charges for services	17,033	24,324	26,476	22,240	19,346	25,878	27,436	23,787	21,504	25,106
Library fines	62,141	74,947	93,229	118,368	128,082	128,295	165,640	170,724	154,588	168,186
Earnings on investments	98,299	91,368	259,965	452,392	1,110,903	647,636	420,081	238,444	128,210	163,788
Contributions in kind - rent	113,750	113,750	113,750	113,750	113,750	113,750	113,750	113,750	113,750	113,750
Miscellaneous	28,872	20,906	12,896	21,523	165,288	394,024	2,311	28,475	1,913	20,955
Total revenues	8,122,154	8,320,926	9,990,156	12,619,259	15,178,055	15,529,931	15,056,324	18,526,184	15,001,841	17,621,364
<b>Expenditures</b>										
General government	6,818,927	6,652,292	7,494,199	8,479,730	10,605,257	12,339,574	12,617,493	13,602,384	12,573,567	14,237,613
Capital outlay	1,716,061	1,121,534	133,407	1,146,099	12,471,553	1,875,230	2,189,730	1,049,190	479,764	957,104
Debt issuance costs	-	-	-	-	-	-	-	129,523	-	-
Debt service										
Interest	532,488	524,887	500,984	480,715	1,015,541	956,850	927,203	772,337	676,859	646,756
Principal	470,000	485,000	505,000	525,000	550,000	570,000	1,065,000	1,235,000	1,405,000	1,450,000
Total expenditures	9,537,476	8,783,713	8,633,590	10,631,544	24,642,351	15,741,654	16,799,426	16,788,434	15,135,190	17,291,473
Excess of revenues over (under) expenditures	(1,415,322)	(462,787)	1,356,566	1,987,715	(9,464,296)	(211,723)	(1,743,102)	1,737,750	(133,349)	329,891
<b>Other financing sources (uses)</b>										
Transfers in	1,003,149	996,842	983,125	962,692	3,067,149	1,492,085	1,995,160	1,993,701	2,094,717	2,095,385
Transfers out	(1,003,149)	(996,842)	(983,125)	(962,692)	(3,067,149)	(1,492,085)	(1,995,160)	(1,993,701)	(2,094,717)	(2,095,385)
Proceeds of debt	-	-	-	12,110,000	-	-	-	9,580,000	-	-
Payment to refunded debt escrow agent	-	-	-	-	-	-	-	(8,293,903)	-	-
Sale of capital assets	-	-	-	-	-	80,000	-	-	-	-
Total other financing sources (uses)	-	-	-	12,110,000	-	80,000	-	1,286,097	-	-
Net change in fund balances	\$ (1,415,322)	\$ (462,787)	\$ 1,356,566	\$ 14,097,715	\$ (9,464,296)	\$ (131,723)	\$ (1,743,102)	\$ 3,023,847	\$ (133,349)	\$ 329,891
Debt service as a percentage of noncapital expenditures	12.82%	13.18%	11.83%	10.60%	12.86%	11.01%	13.64%	12.75%	14.21%	12.84%

**High Plains Library District  
General Governmental Expenditures By Function  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Salaries</b>	<b>Benefits</b>	<b>Administrative Services</b>	<b>Books; Services</b>	<b>Facilities Operations</b>	<b>Grants In Aid</b>	<b>Capital Outlay</b>	<b>Debt Service</b>	<b>Totals</b>
2003	2,718,625	599,606	670,124	1,388,776	257,550	1,186,222	1,757,339	1,002,488	9,580,730
2004	2,984,225	626,189	779,260	804,522	281,134	1,143,248	1,155,248	1,009,887	8,783,713
2005	3,273,817	692,467	785,929	850,327	401,874	1,489,785	133,407	1,005,984	8,633,590
2006	3,516,545	748,618	1,005,055	901,892	418,626	1,888,994	1,146,099	1,005,715	10,631,544
2007 <sup>1</sup>	3,765,283	820,520	1,115,606	2,090,301	565,929	2,247,618	12,471,553	1,565,541	24,642,351
2008	4,640,223	1,072,167	1,538,707	1,964,908	805,422	2,486,401	1,706,976	1,526,850	15,741,654
2009	4,943,865	1,100,470	1,664,117	1,333,189	868,594	2,707,258	2,189,730	1,992,203	16,799,426
2010	4,993,005	1,256,554	1,498,585	1,253,838	1,168,945	3,431,457	1,049,190	2,136,860	16,788,434
2011	4,972,908	1,270,033	1,691,690	1,056,746	996,174	2,586,016	479,764	2,081,859	15,135,190
2012	5,334,425	1,389,422	1,772,378	1,239,946	1,272,936	3,228,506	957,104	2,096,756	17,291,473

Note:

<sup>1</sup> The large increase in capital outlay reflects the construction costs of the Erie Community Library and the Carbon Valley Regional Library.

**High Plains Library District  
General Governmental Revenues By Source  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Property Taxes</b>	<b>Specific Ownership Taxes</b>	<b>Interest Income</b>	<b>Grants</b>	<b>Fines</b>	<b>Miscellaneous</b>	<b>Total</b>
2003	7,004,605	797,454	98,299	14,710	62,141	144,945	8,122,154
2004	7,089,351	906,280	91,368	9,241	74,947	149,739	8,320,926
2005	8,519,389	955,943	259,965	200	93,229	161,430	9,990,156
2006	10,788,232	1,097,230	452,392	15,000	118,368	148,037	12,619,259
2007	12,394,319	1,230,703	1,110,903	133,236	128,082	180,812	15,178,055
2008	12,987,150	1,211,207	647,636	382,000	128,295	173,643	15,529,931
2009	13,254,718	1,048,351	420,081	-	165,640	167,534	15,056,324
2010	16,874,455	1,044,416	238,444	25,000	170,724	173,145	18,526,184
2011	13,602,800	979,076	128,210	-	154,588	137,167	15,001,841
2012	15,849,259	1,280,320	163,788	12,498	168,186	147,313	17,621,364

Source:  
HPLD 2012 CAFR

**High Plains Library District  
Property Tax Levies and Collections  
Last Ten Fiscal Years  
(amounts expressed in thousands)**

Levy Year	Collect Year	Total Tax Levy for Fiscal Year <sup>1</sup>	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years <sup>3</sup>	Total Collections to Date	
			Tax Amount	Percent of Levy		Tax Amount	Percent of Levy
2002	2003	7,001	6,989	99.8%	-	6,989	99.8%
2003	2004	7,102	7,081	99.7%	-	7,081	99.7%
2004	2005	8,608	8,519	99.0%	-	8,519	99.0%
2005	2006	10,826	10,788	99.6%	-	10,788	99.6%
2006	2007	12,394	12,394	100.0%	-	12,394	100.0%
2007	2008	13,028	12,987	99.7%	5	12,992	99.7%
2008	2009	13,321	13,255	99.5%	66	13,321	100.0%
2009	2010	16,934	16,874	99.6%	60	16,934	100.0%
2010	2011	13,609	13,581	99.8%	-	13,581	99.8%
2011	2012	15,880	15,832	99.7%	-	15,832	99.7%

Source:

<sup>1</sup> Final Budget

<sup>2</sup> YTD Treasurer's Tax Distribution

<sup>3</sup> Not available for years not shown



**High Plains Library District**  
**Assessed and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**  
**(in thousands of dollars)**

<b>Levy Year</b>	<b>Vacant Land</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Industrial Property</b>	<b>Agricultural</b>	<b>Natural Resources</b>	<b>Oil &amp; Gas</b>	<b>State Assessed</b>	<b>Total Taxable Assessed Value</b>	<b>Estimated Taxable Value</b>	<b>Total Direct Tax Rate</b>	<b>Assessed Value as a % of Actual Value</b>
2003	91,119	687,932	361,696	91,215	80,617	7,863	543,424	267,863	2,131,729	12,504,078	3.249	17.048%
2004	83,911	769,931	380,465	93,682	85,020	9,244	954,983	284,546	2,661,782	14,121,101	3.249	18.850%
2005	89,806	881,185	433,442	93,554	84,920	8,510	1,244,098	392,763	3,228,278	16,440,133	3.249	19.637%
2006	79,160	941,732	457,201	89,597	85,628	9,600	1,684,449	375,798	3,723,165	17,712,418	3.249	21.020%
2007	95,329	1,000,203	533,940	97,007	89,879	13,275	1,685,509	400,731	3,915,873	18,946,262	3.249	20.668%
2008	89,085	1,028,385	555,777	98,813	91,031	13,620	1,643,986	475,737	3,996,434	20,513,872	3.249	19.482%
2009	80,401	923,754	601,990	144,788	93,731	14,798	2,728,330	520,780	5,108,572	19,995,658	3.249	25.548%
2010	76,597	935,623	612,171	191,689	93,792	11,881	1,593,865	573,725	4,089,343	19,166,061	3.249	21.336%
2011	59,313	893,155	600,970	207,560	109,046	12,221	2,338,283	593,893	4,814,441	19,664,487	3.249	24.483%
2012	55,684	902,490	637,249	279,787	111,959	11,555	3,225,865	625,554	5,850,143	21,467,579	3.249	27.251%

Source: Weld County Assessor's office

**High Plains Library District  
Principal Taxpayers  
December 31, 2012**

	2012			2003		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Noble Energy	1,289,725,630	1	19.80%			
Kerr-Mcgee Oil & Gas Onshore LP	954,754,400	2	14.66%			
Petroleum Development Corp	222,218,980	3	3.41%	22,758,240	10	0.91%
Encana Oil & Gas (USA) Inc	205,406,760	4	3.15%	37,332,940	4	1.50%
Public Service Company of Colorado (Xcel)	195,929,410	5	3.01%	99,915,800	3	4.02%
DCP Midstream LP	152,033,540	6	2.33%			
EOG Resources INC	138,522,790	7	2.13%			
Kerr Mcgee Gathering LLC	80,051,600	8	1.23%	31,645,600	6	1.27%
Vestas Blades America Inc.	52,357,500	9	0.80%			
Colorado Interstate Gas Co	44,783,700	10	0.69%			
Merit Energy				32,598,960	5	1.31%
Kerr Mcgee Rocky Mountain Corp				185,512,050	1	7.46%
Patina Oil & Gas Corporation				160,975,490	2	6.47%
Duke Energy Field Services INC				29,704,220	7	1.19%
Thermo Cogeneration Partnership				26,309,600	8	1.06%
Qwest Corp FKA US West				24,827,700	9	1.00%
	<u>\$ 3,335,784,310</u>		<u>51.21%</u>	<u>\$ 651,580,600</u>		<u>26.19%</u>

Source: Weld County Assessor

**High Plains Library District  
Ratio of Outstanding Debt by Type  
Last Ten Fiscal Years**

Governmental Activities				
Fiscal Year	Certificates of Participation	Total Library District	Percentage of Personal Income <sup>1</sup>	Per Capita <sup>1</sup>
2003	\$ 11,005,000	11,005,000	0.21%	53.13
2004	10,520,000	10,520,000	0.20%	48.33
2005	10,015,000	10,015,000	0.17%	45.12
2006	21,600,000	21,600,000	0.37%	94.17
2007	21,050,000	21,050,000	0.34%	88.85
2008	20,480,000	20,480,000	0.31%	83.76
2009	19,415,000	19,415,000	0.26%	77.28
2010	19,466,100	19,466,100	0.28%	76.99
2011	18,118,756	18,118,756	0.26%	71.12
2012	16,726,412	16,726,412	0.22%	63.43

<sup>1</sup> Refer to Demographic and Economic Statistics schedule on page 52 of the CAFR.

Note: Details regarding the district's outstanding debt can be found in Note 5 page 32 of the CAFR.

Source: Current and prior year's financial statements.

**High Plains Library Distric**  
**Legal Debt Margin Calculation for Fiscal Year 2012**

Assessed Valuation	\$5,752,960,990
Debt Limit 1.5% of Assessed Value <sup>1</sup>	86,294,415
Certificates of Participation <sup>2</sup>	16,726,412
Legal Debt Margin	69,568,003

**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Debt limit	\$ 32,833,514	\$ 39,788,050	\$ 48,424,000	\$ 55,847,456	\$ 58,738,118	\$ 59,946,492	\$ 76,527,915	\$ 60,781,581	\$ 71,333,143	\$ 86,294,415
Total net debt applicable to limit	11,005,000	10,520,000	10,015,000	21,600,000	21,050,000	20,480,000	19,415,000	19,466,100	18,118,756	16,726,412
Legal debt margin	\$ 21,828,514	\$ 29,268,050	\$ 38,409,000	\$ 34,247,456	\$ 37,688,118	\$ 39,466,492	\$ 57,112,915	\$ 41,315,481	\$ 53,214,387	\$ 69,568,003
Total net debt applicable to the limit as a percentage of debt limit	33.52%	26.44%	20.68%	38.68%	35.84%	34.16%	25.37%	32.03%	25.40%	19.38%

Note:

<sup>1</sup> Debt Limitation: Under Section 22-42-104, Colorado Revised Statutes, 1973, the High Plains Library District may incur indebtedness of general District purposes in an amount not to exceed 1.5% of assessed valuation of all taxable property.

<sup>2</sup> Certificates of Participation are not generally included as debt for purposes of calculating legal debt limit (Colorado Revised Statute 22-42-104). However, they are presented here to give the most conservative analysis of debt allowable that remains available.

**High Plains Library District  
Direct and Overlapping Governmental Activities Debt  
As of December 31, 2012**

<b>Jurisdiction</b>	<b>Net General Obligation Bonded Debt Outstanding</b>	<b>Percentage Applicable to Government <sup>1</sup></b>	<b>Amount Applicable to Government</b>
HPLD COP's	\$ 17,130,000	100.00%	\$ 17,130,000
Cities and Towns	69,619,088	90.50%	63,004,858
Schools	488,812,891	64.16%	313,621,781
Special Districts	<u>298,168,871</u>	56.15%	<u>159,918,957</u>
Total Overlapping	<u>\$ 873,730,850</u>		<u>\$ 553,675,596</u>

Source: Weld County CAFR

Note:

<sup>1</sup> Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the district. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by residents and businesses located within the district's boundaries. This process recognizes that, when considering the district's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

**High Plains Library District  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

<b>Year</b>	<b>High Plains Library District Population</b>	<b>Weld County Population</b>	<b>Total Personal Income (\$ billions)</b>	<b>Per Capita Income</b>	<b>Unemployment Rate</b>
2003	183,152	207,120	5.14	24,279	6.70%
2004	191,548	217,652	5.38	25,274	5.40%
2005	198,494	221,957	5.79	25,968	5.00%
2006	208,350	229,377	5.84	25,495	3.80%
2007	215,128	236,908	6.23	26,280	4.63%
2008	229,010	244,515	6.66	27,238	6.30%
2009	237,214	251,220	7.38	27,788	8.16%
2010	235,511	252,825	7.07	28,503	9.80%
2011	236,815	254,759	6.93	27,186	9.10%
2012	236,815	263,691	7.76	25,233	8.70%

Source: Upstate Colorado Economic Development  
in cooperation with the University of  
Northern Colorado and the State of Colorado  
demographic.  
Library Research Service State of Colorado for HPLD population

Note: The HPLD population is shown as compared to the Weld  
County population as the District's service area  
approximates the boundary of Weld County.

**High Plains Library District  
Principal Employers  
December 31, 2012**

	2012			2003		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
JBS Swift Beef Company	4,619	1	3.72%	3,400	1	3.80%
Banner Health: Northern Colorado Medical Center	3,000	2	2.42%	1,884	4	2.11%
Greeley Evans School District 6	2,800	3	2.26%	2,180	3	2.44%
State of Colorado (includes UNC)	1,658	4	1.34%	2,072	2	2.32%
Weld County Government	1,372	5	1.11%	1,116	9	1.25%
State Farm Insurance Companies	1,350	6	1.09%	1,283	7	1.44%
Vestas	870	7	0.70%			
City of Greeley	869	8	0.70%	897	10	1.00%
Aims Community College	815	9	0.66%	1,596	6	1.79%
Halliburton Energy	800	10	64.00%			
StarTek, Inc.				1,200	8	1.34%
Eastman Kodak Company				1,700	5	1.90%
Total Principal Employers	18,153		14.64%	17,328		19.38%
Other Employers	105,883		85.36%	72,070		80.62%
Total County Employment	124,036		100.00%	89,398		100.00%

Source: Upstate Colorado Economic Development  
Total Employment from Colorado Department of Labor

**High Plains Library District  
Library Materials Purchased and Circulated  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Number of Volumes Owned (1)</b>	<b>Number of Audio/Visual Items Owned (2)</b>	<b>Total Items Owned</b>	<b>Number of Items Circulated*</b>
2002	418,997	20,232	439,229	948,491
2003	418,008	29,325	447,333	1,170,222
2004	430,503	41,880	472,383	1,187,351
2005	452,394	49,450	501,844	1,594,539
2006	469,383	59,197	528,580	1,652,496
2007	558,157	73,868	632,025	1,713,594
2008	588,748	90,252	679,000	2,309,741
2009	612,332	103,306	715,638	2,709,365
2010	613,815	111,641	725,456	2,774,312
2011	637,087	111,048	748,135	2,761,638
2012	652,019	104,427	756,446	2,746,572

Source: High Plains Library District IT department.

Note:

(1) Volumes include books, book club bags, new books, Paperbacks, Large Print, Kits, Inter Library Loan, member books, new periodicals, periodicals, and references, and express books.

(2) Audio/visual items include audio books, MP3, Blu-Ray, cassettes, CD's, DVD's, E-books, equipment, short check out equipment, software, member audio, member video, net library, recordings, and video cassettes.

\* The number of items circulated includes the HPLD five branch locations; two Outreach vehicles; Member Libraries - Eaton Public Library, Fort Lupton Public & School Library, Glenn A Jones, M.D. Memorial Library, Hudson Public Library, Northern Plains Public Library, and Platteville Public Library.



**High Plains Library District  
Service Locations  
December 31, 2012**

<b>Libraries</b>	<b>Address</b>	<b>Square Footage</b>	<b>Number of Employees</b>
Carbon Valley Regional	7 Park Avenue Firestone, CO 80504	34,000	25
Centennial Park Library	2227 23rd Avenue Greeley, CO 80634	29,610	31
District Support Services *	2650 W. 29th Street Greeley, CO 80631	23,903	47
Erie Community	400 Powers Street Erie, CO 80516	20,000	21
Farr Regional Library**	1939 61st Avenue Greeley, CO 80634	38,000	35
Lincoln Park Library	919 7th Street, Suite A Greeley, CO 80631	13,000	25
Outreach Services *	2650 W. 29th Street Greeley, CO 80631	23,903	8

\* The new Administration and Support Services building houses the District Support Services staff, Collection Resources department and Outreach department.

\*\* The Virtual Library department consisting of 3 employees is located at the Farr Regional Library (FRL) and included in the number of employees listed for the FRL.

This information is presented on an annual year end basis, to highlight the number of employees at each location.

**High Plains Library District  
Circulation Summary by Location  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Carbon Valley <sup>1</sup></b>	<b>Centennial Park</b>	<b>Erie <sup>2</sup></b>	<b>Farr <sup>3</sup></b>	<b>Lincoln Park</b>	<b>Outreach Services</b>	<b>Total</b>
2003	73,035	214,705	n/a	318,399	160,861	125,041	892,041
2004	102,830	441,904	n/a	405,696	120,290	116,631	1,187,351
2005	119,069	446,642	n/a	448,691	177,979	97,051	1,289,432
2006	135,475	431,071	7,674	492,632	174,455	96,503	1,337,810
2007	142,423	403,580	8,828	569,154	166,030	81,667	1,371,682
2008	328,473	485,661	274,667	551,880	199,280	64,440	1,904,401
2009	431,063	557,161	360,777	613,829	230,495	66,912	2,260,237
2010	460,549	544,937	394,194	633,278	210,738	63,808	2,307,504
2011	447,547	531,887	390,389	584,903	220,894	59,341	2,234,961
2012	442,864	598,032	408,498	556,127	247,896	64,949	2,318,366

Note:

<sup>1</sup> The new Carbon Valley Regional Library opened in March 2008.

<sup>2</sup> Erie activity occurred at the Lorraine David Children's Library which ceased its operations with the new Erie Community Library opening on January 12, 2008.

<sup>3</sup> The Farr Regional Library opened in September 2002.

Source: High Plains Library District IT department.